

Statement of
U.S. Representative Edward J. Markey (D-MA)
Ranking Democrat, House Subcommittee on
Telecommunications and the Internet
Markup of HR_,
“Satellite Home Viewer Extension and Reauthorization Act”
April 28, 2004

Good Morning. I want to commend Chairman Upton for calling this markup on legislation addressing issues of video competition and in particular, matters related to the Satellite Home Viewer Improvement Act of 1999, some of which are due to expire soon.

As we take action, the Subcommittee should aim to fulfill and enhance the cornerstones of telecommunications policy, namely, universal service, diversity, and localism. In the past, we have promoted universal service through the delivery of distant signals to those who reside in so-called “white areas,” where local over-the-air broadcast signals do not adequately reach. To enhance “localism,” back in 1999, I offered the so-called “local-to-local” amendment in the Subcommittee markup, which for the first time granted to satellite operators the right to carry of local broadcast stations in local markets. In addition, the local-to-local amendment fostered much-needed competition to cable and I am proud of the dramatic rise in satellite consumers due to the advent of local-to-local service in many of the largest markets across the country. It has helped satellite providers offer a more comparable service to cable operators and more effectively compete in the marketplace -- to a point where Echostar and DirecTV combined now garner approximately a 20 percent market share.

Today we have a markup vehicle of proposed revisions and additions to the Act. The legislation before us contains many provisions which are laudable and necessary, as portions of the 1999 Act are due to expire at the end of this year. The legislation

extends until the end of 2009 the satellite operators' exemption from having to negotiate retransmission consent agreements for distant network signals; it extends until 2010, the obligation of marketplace participants to negotiate in good faith; and the bill also extends until 2010 the prohibition on broadcasters from entering into exclusive retransmission consent agreements. These are all provisions which I strongly support.

In addition, the bill tackles a number of policy issues that arise from the success of our local-to-local policy. These include provisions to permit certain satellite consumers to receive "significantly viewed" out-of-market broadcast stations as part of a local-to-local service, as well as a policy tilt toward supporting "localism" over distant network signals in those areas where local-to-local service is offered, with exceptions for those consumers who have lawfully received distant signals previously or under previous exemptions provided for by Congress. The legislation also includes a requirement that the FCC study the digital TV transition and report back to Congress by 2007 with information about how the Commission would determine which consumers would be unserved by over-the-air digital TV signals.

I intend to offer an amendment to the legislation this morning that will extend to satellite consumers the same privacy protections that cable consumers have had since 1984. I think it is time that the privacy provisions in this area caught up with technology and the reality that some 20 million consumers now subscribe to satellite services. What a consumer watches on TV and what services they receive over cable systems or satellite dishes in their own home is their business.

I again want to thank Chairman Upton and thank him for the mark up and commend him and Chairman Barton and Ranking Member Dingell for their excellent work on the bill.

